GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3037
ANSWERED ON:20.03.2008
OPENING OF PETROL DIESEL LPG AGENCIES IN TAMIL NADU
Pallani Shamy Shri K.C .

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether the Government has received requests for opening up of petrol/diesel outlets and LPG agencies in Tamil Nadu;

(b): if so, the details along with the locations identified for setting up of the same, district wise; and

(c): the time by which the new outlets are likely to be set up?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) : After dismantling of Administered Pricing Mechanism (APM) with effect from 1.4.2002, Public Sector Oil Marketing Companies (OMCs), viz., Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL) and Bharat Petroleum Corporation Limited (BPCL) have freedom to set up retail outlets (RO) dealerships and LPG distributorships as per their commercial consideration based on feasibility and economic viability of the selected locations. Requests received by the Government from various quarters from time to time for setting up of RO dealerships and LPG distributorships at specific locations are forwarded to the OMCs for conducting feasibility/ economic viability of the proposed location. If found feasible, the locations are included in marketing plans of OMCs.

(b): OMCs have reported that they have identified 239 (two hundred and thirty nine) locations for setting up of RO dealerships and 131(one hundred and thirty one) locations for setting up of LPG distributorships in the State of Tamil Nadu. The location−wise details are available with the Directors (Marketing) of the concerned OMCs.

(c): OMCs have reported that it is difficult to indicate a definite time-frame for commissioning of RO dealerships/LPG distributorships as the process of setting up of retail outlet dealerships /LPG distributorships involves various steps such as release of advertisements, scrutiny of applications and documents, holding of interviews of the eligible candidates for selection of dealers/distributors, release of merit panels, field investigation in respect of selected candidates, issue of Letter of Intent, obtaining of various approvals/No Objection Certificates from various statutory authorities, etc.